Annual Report 1984-85

Alberta
UTILITIES AND
TELECOMMUNICATIONS

86-05826/

Annual Report
1984-85

Alberta
UTILITIES AND
TELECOMMUNICATIONS

Alberta
TRANSPORTATION AND UTILITIES

208 Legislature Building, Edmonton, Alberta, Canada T5K 2B6 403/427-2080

Office of the Minister

Honourable Dr. David Carter, Speaker
Legislative Assembly of Alberta
325 Legislature Building
Edmonton, Alberta
T5K 2B6

Sir:

It is my pleasure to submit the Annual Report of the Department of Utilities and Telecommunications for the year ended March 31, 1985.

Respectfully submitted,

Allen Adair

Al "Boomer" Adair
Minister of Transportation
and Utilities

Alberta
UTILITIES

Office of the Deputy Minister

7th Floor, Westcor Building, 12323 Stony Plain Road, Edmonton, Alberta, Canada T5N 3Y9 403/427-0140

The Honourable Al "Boomer" Adair
Minister of Transportation
and Utilities

Sir:

I have the honour to submit herewith a report covering the activities of the Department of Utilities and Telecommunications for the fiscal year ended March 31, 1985.

Respectfully submitted,

V. A. MacNichol
Deputy Minister

CONTENTS

	Page
Executive Summary	1
Organization Chart	2
GAS UTILITIES DIVISION	3
Gas Alberta Branch	5
Gas Distribution Branch	7
Business and Grants Section	8
Gas Administration Section	8
MUNICIPAL UTILITIES DIVISION	9
Planning and Engineering Branch	12
Contracts and Grants Section	13
ADMINISTRATIVE SERVICES DIVISION	15
Development and Training Branch	17
Financial Administration Branch	17
Personnel Administration Branch	18
Public Affairs Branch	18
Records and General Services Branch	18
Automation and Information Services	19
UTILITIES, COMMUNICATIONS AND PLANNING DIVISION	21
Communications Policy Branch	23
Rebates Branch	24
Rural Electric Branch	27
APPENDICES	29
APPENDIX A, Rural Gas Program Statistics and Graphs	31
APPENDIX B, Rebates Statistics	32
APPENDIX C, Rural Electrification Revolving Fund Statements I - III	33-35
APPENDIX D, Utilities and Telecommunications Statement of Expenditures	36
NATURAL GAS CO-OP BOUNDARIES MAP	43

EXECUTIVE SUMMARY

During the 1984-85 fiscal year, several important initiatives were completed, programs were extended, and changes to other programs were made to reflect need and changing circumstances.

Significant progress was made toward implementing the regional water and sewage facilities in the Edmonton area. Two major sewage projects, the Capital Region Sewage Treatment Plant and the Southeast Regional Sewage Transmission System, were completed. Four water commissions, including the Capital Region Southwest Water Services, the Capital Region Parkland Water Services, the Northeast Water Services and the Vegreville Corridor Water Services Commissions, were also established in the Edmonton area during 1984. These commissions have now assumed the ownership and operation of the regional systems.

Since the change in the terms of the **Alberta Municipal Water Supply and Sewage Treatment Grant Program** in July 1983, the number of new project approvals continued to increase as municipalities proceeded with smaller, more cost-effective projects. A total of 80 municipal water and sewage projects were approved for funding during the fiscal year. Several municipalities received financial assistance for water or sewer trunk mains, which were previously ineligible for assistance. Construction of these trunk mains is often more cost-effective than other alternatives such as reservoirs or additional pumping facilities.

The **Natural Gas Price Protection Plan** and complementary **Remote Area Heating Allowance Program** for propane and heating oil users were extended for a further period of three years to March 31, 1988. This was a recommitment of the provincial policy that natural gas resources in the province belong to all Albertans, and as such, all Albertans should enjoy the benefits that derive from ownership of those resources. Since the inception of the Plan in 1974, over $1 billion has been paid in rebates to shield Albertans from the full impact of increases in energy prices.

The **Senior Citizens Home Heating Protection Program** and the **Primary Agricultural Producers Rebate Program**, both due to expire at the end of 1985, also have been extended through 1987. These programs effectively double the rebate to senior citizen homeowners and farmers over that provided to all Albertans under the Natural Gas Price Protection Plan. This year, 84,353 cheques of $100 each were mailed to senior citizens to assist them with home heating costs. During the year, 5,877 applications from agricultural producers were processed, for an average rebate payment of $427.

Through the fiscal year, there continued to be a strong demand for loans from the **Rural Electrification Revolving Fund**, with 2,052 loans processed totalling $5,341,230. These loans provide farmers who are members of rural electrification associations (REAs) or who are direct utility company customers, with financial assistance in obtaining new electrical services. At year end, the loans outstanding to the Fund totalled $47 million.

During the year, the new **Rural Utilities Act** was completed and subsequently passed in the 1985 spring session of the Legislature. It will come into force with the approval of the regulations. This Act brings together in one piece of legislation the provisions governing rural utilities. The Act is intended to simplify administration and the interface between the provincial government and rural utilities.

Through the positive efforts of the natural gas co-ops, the county-owned gas systems and investor-owned gas utility companies, the **Rural Gas Program** progressed into its second decade. To date over 84,267 new services have been installed under this program, providing natural gas service to approximately 252,500 Albertans.

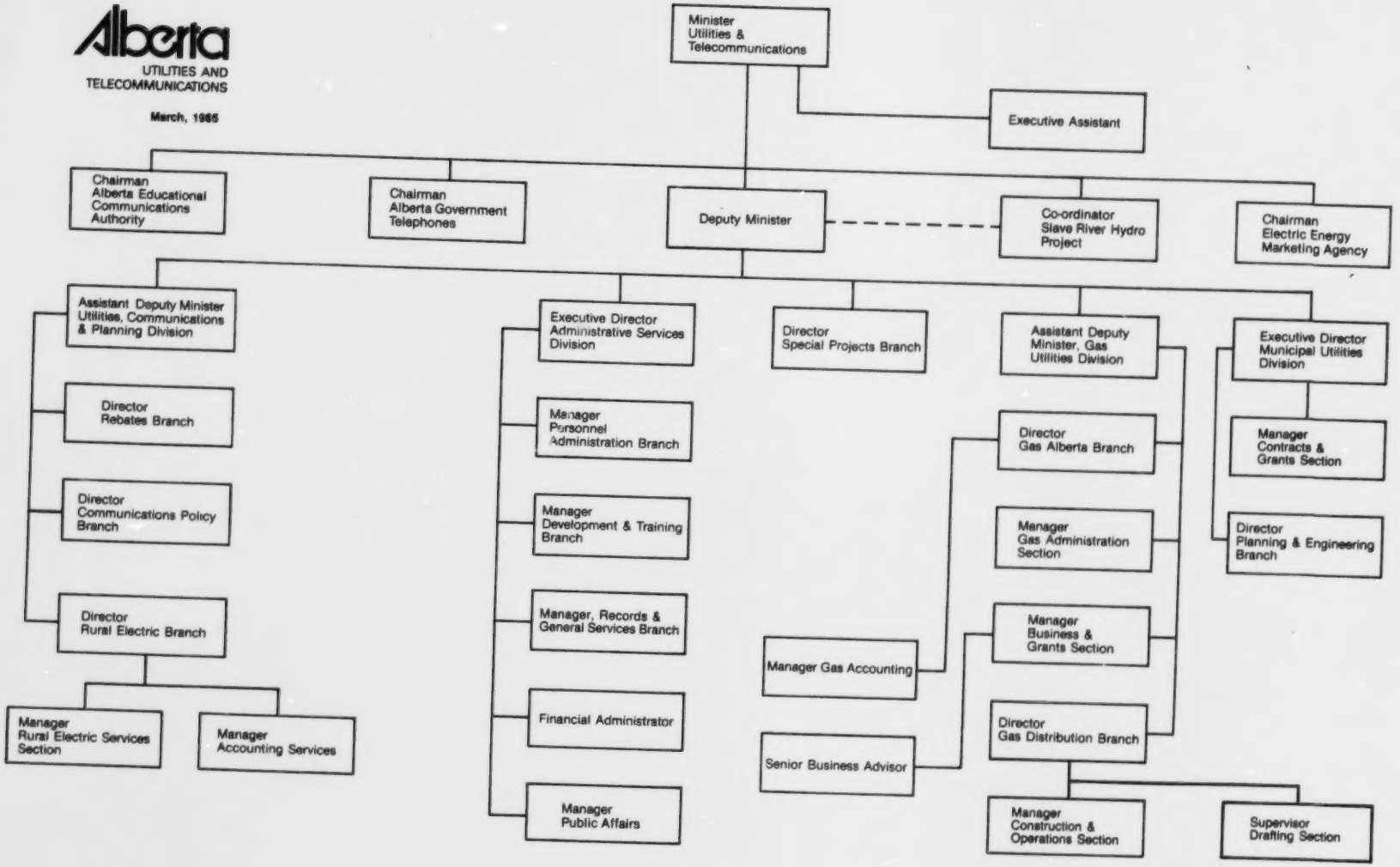
In April 1984 the Department and the University of Calgary Communications Studies Program cosponsored a symposium entitled *"Communications in the Eighties - The Major Issues."* Twenty-two speakers representing the Alberta and national communications industry, as well as politicians, academics and members of regulatory bodies, discussed major issues facing the provision of communications services in this decade. The symposium was attended by more than 130 people from across Canada.

The Alberta Educational Communications Corporation (ACCESS NETWORK) implemented its satellite-based educational communications service in January 1985. To assist nonprofit public agencies and educational institutions to receive the ACCESS NETWORK service, the Department instituted a capital grant program to offset the costs of purchasing and installing satellite-receiving equipment. This program provides a grant of $500 per satellite dish to all approved organizations and is offered in conjunction with the ACCESS NETWORK Satellite Dish Placement Program.

Alberta

UTILITIES AND TELECOMMUNICATIONS

March, 1985



GAS UTILITIES DIVISION

D. A. Brooks
Assistant Deputy Minister

GAS ALBERTA BRANCH

G. W. Brown
Director

GAS DISTRIBUTION BRANCH

G. N. Campbell
Director

BUSINESS AND GRANTS SECTION

D. H. Warner
Manager

GAS ADMINISTRATION SECTION

A. V. Stafford
Manager

GAS ALBERTA BRANCH

G. W. Brown
Director

Gas Alberta, acting as a "gas broker" under the Rural Gas Act, is responsible for an economical and efficient supply of natural gas and related services to rural gas distributors throughout Alberta.

During 1984-85, Gas Alberta experienced a 13.3 percent increase in the volume of gas sold and a 3.6 percent increase in the number of sales locations. The volume increase is significant and reflects increases in small industrial customers being served by the distributors and in heating loads due to the severe winter.

Delivery points increased primarily due to the establishment of nine new sales taps for North Peace, East Peace, Deer Creek, Northern Lights, Swan River and East Smoky gas co-ops. While the supplier in each case remained unchanged, it was necessary to add new delivery points to ensure accurate custody transfer and gas accounting for the distributors. A net increase of 14 new sales taps was also added to the rural gas systems.

Significant supply growth in delivered gas was again noted over previous years. These increased deliveries through existing facilities lowered the weighted average cost of delivery and effectively helped minimize gas rate increases to the distributors.

Gas Alberta is composed of three main sections as follows:

GAS ACCOUNTING SECTION

This section is responsible for accounting and financial control of all disbursements and receipts of the Gas Alberta Operating Fund. Through financial management and supervision of this Fund, the section is able to perform the necessary economic analysis and associated evaluations required by the Branch to establish and maintain adequate policy and price strategy for contract negotiation. In addition, monitoring of the Fund facilitates preparation and analysis of financial statements and associated budgets for Gas Alberta. The Fund is maintained by the Provincial Treasurer and is subject to an annual audit and report to the Legislature.

Over the past year, the section handled purchases and sales of 16.1 million gigajoules (16.1 petajoules or 15.3 million Mcf) of natural gas valued at $34.2 million (purchase cost), including operating and delivery costs. Under the Natural Gas Price Protection Plan and the Natural Gas Price Administration Act, rebates totalling $5.7 million were received. Gas sales revenue amounted to $33.1 million. The combined inflow and outflow of all revenue and related expenditure produced a gross cash flow of $67.5 million through the Gas Alberta Operating Fund, including billing service revenue.

CONTRACTS AND BILLING SYSTEMS SECTION

This section is responsible for negotiating, maintaining and administering contract documents relating to the purchase, sale and exchange of natural gas. It also handles billing agreements for retail billing services provided to rural gas distributors as well as word processing and electronic data processing system administration.

During 1984-85, one new retail billing agreement and two new gas supply contracts were negotiated. In addition, the gas sales contract was revised to include a new pricing structure for non-rebatable gas.

This section also controls the development and design of systems for Gas Alberta's retail billing service and assists in the development, design and implementation of billing systems for those natural gas distributors not utilizing Gas Alberta's retail billing system.

As a result of program evaluation interviews, Gas Alberta undertook extensive reprogramming of the retail billing system to satisfy concerns identified by rural gas distributors. The changes to the billing system greatly enhanced management reporting and improved the administration of gas accounts by the distributors.

Another facet of retail billing is "*special billing*," which allows distributors to maintain more control over customer accounts, improve cash flow and increase contact with customers. During the year, nine additional distributors have taken advantage of this service, bringing the total number of distributors on special billing to 26. This reflects an increase of 3,625 customers since the implementation of special billing, without a corresponding increase in staff.

The retail billing service has continued to adapt to meet the changing needs of rural gas distributors who have elected to take advantage of this optional service.

GAS PURCHASE, PLANNING AND AUDIT SECTION

The Gas Purchase, Planning and Audit Section is responsible for wholesale measurement accuracy including regular checks on meter readings, gas volume calculations and meter station inspections. The section is also responsible for wholesale gas volume corrections and adjustments. In 1984-85, 89 gas measurement adjustments were completed, totalling 334,640 gigajoules (GJ) with a value of $679,654 at wholesale price. The section monitored 630 sales stations during 1984-85 in a continuing effort to ensure accuracy of gas volumes measured and sold to the rural gas distributors.

The audit group completed 11 gas loss grant audits. Rural distributors requested these audits to determine their eligibility for gas loss grants. Four audits were approved, resulting in grants totalling $157,971.65.

COMPARISON OF GAS ALBERTA'S ACTIVITIES OVER THE LAST EIGHT YEARS INDICATES CONTINUING EXPANSION IN THE RURAL GAS PROGRAM

	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85
Distributors	72	76	81	82	86	87	86	87
Delivery or Sales Points	557	598	630	660	668	598	643	666
Gas Suppliers	34	36	31	33	34	30	33	35
Gas Volume Sold (Million GJ)	8.6	10.3	11.1	11.0	14.2	13.8	14.2	16.1
Distributors on Retail Billing	36	39	40	41	43	48	52	52
Retail Customers Serviced by Billing Service	13,913	15,116	17,116	19,558	23,651	27,329	33,300	34,926

GAS DISTRIBUTION BRANCH

G. N. Campbell
Director

The Gas Distribution Branch provides a variety of support services to the Rural Gas Program, and is also involved in various regulatory aspects of rural gas utility design, construction and operation. These responsibilities encompass a number of technical, financial and administrative functions including direct participation in the areas of materials research and development, gas supply operation and management, and plant location records.

Functional responsibilities within the Branch are divided between two sections:

CONSTRUCTION AND OPERATIONS

This section reviews and approves the construction of new pipeline systems and the upgrading or replacement of existing systems. During 1984-85, over 500 applications to construct, upgrade or replace pipelines and/or plant were approved. As well as ensuring that system design is adequate to provide reliable service to consumers, the section also reviews project management and costing provisions, and specifies the type and level of grant support for projects. To obtain optimum utilization of available funds, the section operates a computerized grant budget control system which ensures that grant funds are available on a priority basis. The early onset of winter in the fall of 1984 resulted in the deferral of many construction projects which in turn contributed to an abnormally large surplus in the grant budget for 1984-85.

Section responsibilities for new construction also include coordination of new gas supplies, field inspection of construction activities and an in-plant inspection program for pipe manufacture. New systems for pipeline licensing and rural gas utility franchises were developed during 1984-85. The pipe testing phase of the service life prediction study was completed, with the results indicating generally positive predictions for most polyethylene gas pipe in service. The closure of a polyethylene pipe production plant and the merger of two pipe firms resulted in only two Canadian firms which manufacture polyethylene gas pipe. These changes did not affect pipe delivery or availability, but simplified the section's in-plant inspection program.

Operation and maintenance of rural utility pipeline systems is a high-priority responsibility which involves both inspection of, and advisory services for, utilities' operation and maintenance programs.

Operations functions also include management of Department-owned pipeline systems, and supervising the operation and maintenance of all meter stations used for Gas Alberta sales. An analysis of the possibility of using telemetry to improve utility operations was completed during 1984-85, with trial programs being considered. The level of inspection and advisory work on gas co-op operations and maintenance programs was increased to better promote needed improvements in some programs. Emphasis was also placed on advising gas co-ops on prevention of gas losses from pipeline leaks and mismeasurement of gas sales to customers.

DRAFTING SECTION

This section is primarily responsible for preparing and maintaining plant location records as a service to co-ops and county gas utilities. This section keeps some 3,500 plans for this purpose, with approximately 1,000 drawings being annually updated or revised. The section also prepares and updates about 300 official franchise plans for all rural gas utilities. All of these plans are currently being converted to a computerized system which will permit faster and more reliable updating. This conversion program commenced in 1984-85 with about 10 percent completed during the year.

To complement the conversion of plant location records, the section is also creating a set of master plans to illustrate the locations of all rural gas utility pipelines in Alberta. About 500 plans will be required to detail the approximately 100,000 kilometers of pipeline to be identified on this system. Roughly 50 percent of these plans were created during 1984-85. When completed, this system will be used to provide industry and the public with general location information on rural gas pipelines via the Energy Resources Conservation Board's information center in Calgary. This system of information is used presently, but utilizes the more cumbersome plant location record systems which do not illustrate investor-owned utility records.

BUSINESS AND GRANTS SECTION

D. H. Warner
Manager

The business analysts provide a financial and business management resource service to distributors and assistance in applying for grants. An annual audit of distributors' incurred construction costs is carried out, and a set of specific guidelines and procedures has been set up to ensure policy compliance in grant payments.

The grant administration and statistics group maintains an ongoing compilation of statistics of costs, installations and grants issued. Reports containing this information are prepared both for publication and for administrative use by Department management.

The business analysts continue to stress to their clients the importance of preparing and following sound financial planning policies. The use of budgeting and improved recordkeeping by distributors, both during construction and in the operational phases of their utilities, can help their cash positions. Contact work during the past year consisted of visiting and consulting with utility managers and/or attending board meetings. Special emphasis was placed on working closely with those distributors and their auditors where either a present or future financial problem was perceived. Since original financing of construction costs has been paid off or greatly reduced, the business analysts started encouraging their clients to establish reserve funds for replacement or improvement of their systems. Response has been favourable, and a substantial number of gas co ops have formally established this type of fund.

Due to increases in the cost of energy and escalatin construction and operating costs, regular reviews of custome rate adequacy were continued. Where rates were considere inadequate, the distributor was consulted and recommend ations made on alternatives for action.

All regular grants under the Rural Gas Program ar calculated on the concept of whole system cost averaging During the 1984-85 fiscal year, a total of $14,885,601.7 in grants to distributors was processed. Figures and graph illustrating some of the significant statistics of the Rura Gas Program are included in Appendix A, both for th past year and cumulative from the start of the program. These statistics indicate the program has now evolved t the point where original construction of systems is decreasing and the ongoing operating and maintenance of existing systems is assuming a larger and more important share o attention from both the distributors and the Department.

The map in the Appendices shows the number o services built as a percentage of the estimated potential in the franchised areas of the province. This map indicates that a large majority of Alberta's rural residents have already been served with natural gas. In most areas, service can be made available to the remaining potentials.

GAS ADMINISTRATION SECTION

A. A. Stanford
Manager

Loans authorized under provisions of the Co-operative Marketing Associations and Rural Utilities Guarantee Act to natural gas co-operatives during the 1984-85 fiscal year amounted to $420,052, all of which was supported by lien notes.The total of outstanding guaranteed loans as of March 31, 1985 was $4,202,491. Loans supported by lien notes stood at $4,200,991, a decrease of $1,757,139 from the previous year. Gas rate borrowings totalled $1,500, down $4,584.

The total outstanding loans to 18 gas co-ops by the Agricultural Development Corporation stood at $3,252,681, a decrease of $453,828 from the previous year. Six co-ops completed the repayment in full of their loans.

During the year, 8,195 utility rights-of-way, easements and consent-of-occupant forms were prepared for member-owned gas co-ops and counties. Ten franchise audits for utility rights-of-way and 54 infill audits were completed.

Twelve audits of lenders with outstanding government-guaranteed loans to co-op members were conducted.

Christina River Gas Co-op Ltd. was incorporated May 23, 1984 at Chard, Alberta. This co-op is supplying natural gas to the Hamlet of Janvier South and eventually will supply the Janvier Indian Reserve.

Two gas co-operatives had their names struck from the Corporate Registry. They were Bow Island and Alexander Gas Co-ops Ltd. Their distribution systems are owned and operated by a utility company, and they had no government-guaranteed loans.

There are now 91 natural gas co-operatives in Alberta, of which 75 own and operate their own distribution systems.

MUNICIPAL UTILITIES DIVISION

PLANNING AND ENGINEERING BRANCH

CONTRACTS AND GRANTS SECTION

MUNICIPAL UTILITIES DIVISION

D. Shillabeer
Executive Director

The Municipal Utilities Division has now completed its second full year as part of the Department of Utilities and Telecommunications. The Division provides guidance and assistance to municipalities requiring funding for water and sewage facilities. The four financial assistance programs administered by the Division are as follows:

- Alberta Municipal Water Supply and Sewage Treatment Grant Program
- Regional Utility Program
- Northern Supplementary Fund Assistance Program
- Phosphorus Removal Grant Program

The Alberta Municipal Water Supply and Sewage Treatment Grant Program provides financial assistance to individual municipalities to assist with the capital cost of installing water supply and sewage facilities. The new cost-sharing arrangement, introduced in July 1983, encourages municipalities to design and implement cost-effective facilities and encourages the responsibility for decision making at the local level. Funding is provided to cities, towns, villages and hamlets with a population of under 100,000.

Smaller communities sometimes find that the costs of their projects exceed the upper limit of the program. To that end, special "high-cost" grants have been provided to several communities in the past year. The Division has endeavoured to be more flexible and to adjust to the needs of the individual municipalities eligible for assistance under the program. The Division has developed a practice of obtaining earlier funding approvals. This benefits the municipalities by enabling them to initiate the design and engineering phases of the project without a major outlay of funds. Funds are also provided at more frequent intervals throughout the project. Approvals are now obtained for projects which may not be under construction for several months.

Water and sewer trunk mains, previously ruled ineligible under the program, are now being considered for financial assistance on an individual basis. It has been found that the construction of these trunk mains is usually more cost-effective than other alternatives such as reservoirs, pumping structures, etc. Several communities have received assistance for this type of project, and it is anticipated that others will be funded in the future.

Even with a reduced budget in 1984-85, the Alberta Municipal Water Supply and Sewage Treatment Grant Program financed the start of 80 projects in 76 municipalities. Grants totalling $40 million were directed toward these new projects as well as to commitments that had been initiated in previous years. The trend seems to be moving toward the construction of smaller, more cost-effective projects.

A major highlight in 1984-85 was a new initiative between the province and the federal government to provide combined assistance for water supply projects. The Town of Hanna was the first municipality to benefit, cost-sharing a water supply line project on a 45/45/10 provincial- federal-municipal basis.

Under the Regional Utility Program, financial assistance is provided for water and sewage facilities which will service two or more municipalities. Significant progress was made during the year toward the implementation of the regional sewage facilities in the Edmonton area. Two major projects, the Edmonton Regional Sewage Treatment Plant and the Southeast Regional Sewage Transmission System, were completed during 1984-85. The Parkland Sewage Transmission System is approximately 50 percent completed and should be finished by mid-1986.

Four water commissions were also established in the Edmonton area during 1984. These commissions have assumed the ownership and operation of the regional systems. A Regional Sewage Task Force Committee, consisting of provincial and municipal representatives, was formed to facilitate the structuring of an Edmonton regional sewage agency to own and operate the system.

A total of $29.5 million was expended under this program in 1984-85. Of this total, $21.1 million was for capital projects, while $8.4 million was expended in the form of grants to municipalities.

Under the Northern Supplementary Fund Assistance Program, financial assistance was provided to 20 communities, with a total budget of $5.36 million expended. Funding is available to isolated northern communities within the jurisdiction of the Northern Alberta Development Council, and preference is given to communities with a demonstrated health problem, low tax base and an insufficient source of other funding.

The City of Calgary received a further $600,000 under the Phosphorus Removal Grant Program. Construction of the phosphorus removal facilities in Calgary is scheduled for completion in 1985-86, and this program will be phased out at that time.

PLANNING AND ENGINEERING BRANCH

M. Znak
Director

The Planning and Engineering Branch is responsible for the evaluation and priorization of applications for assistance under the programs. The staff work closely with municipal officials and consulting engineers in planning and implementing eligible projects.

Projects are evaluated in detail with respect to the need and scope as well as the cost-effectiveness of the proposal. The final decision with respect to a proposed project rests with the municipalities, although the Planning and Engineering staff will provide guidance and advice to municipal officials whenever possible. As part of the ongoing service provided, staff will assist municipalities in drafting terms of reference for proposed projects and will also provide lists of consultants who have worked with the same types of projects in an effective manner.

During the 1984-85 fiscal year, the Planning and Engineering staff met with numerous municipalities to discuss proposed and/or current projects and to provide advisory services. At the Alberta Urban Municipalities Conference in September 1984, staff met with over 40 municipalities to discuss projects in their municipalities and any identified needs. Three other municipal conferences were attended, and the feedback and information received from the municipal officials has been helpful in the ongoing process of budget planning and program evaluation.

As part of the planning process, information on anticipated projects is obtained from various sources, such as the municipalities, consulting engineers and other government departments.

The Branch continually monitors the direction and application of the programs and has endeavoured to be more flexible and adjust to the individual needs of the municipalities.

The Planning and Engineering Branch has also played an active role on various committees. The ongoing Northern Services Committee reviews projects and prepares recommendations to the Northern Communities Advisory Council regarding the allocations of grant funding under the Northern Supplementary Fund Assistance Program. A study was undertaken by the committee to review the needs for water and sewage facilities in northern Alberta.

A study on water supply alternatives in the Oyen-Youngstown area was implemented in 1984-85 and financed by the Department and several municipalities in the area. Staff participated on a steering committee to provide direction and input into the study.

Staff also participated actively on several intergovernmental committees with respect to the implementation of the regional systems.

CONTRACTS AND GRANTS SECTION

M. Morgan
Manager

The Contracts and Grants Section is responsible for the ongoing administration of the contracts and processing grant payments for projects approved for funding.

Staff provide information and guidance to municipal administrators and consultants with respect to project implementation and financing procedures. This advisory service applies to all aspects of the project, from commencement to finalization.

In an effort to provide better service and to reduce the amount of paperwork for the municipalities, staff developed the use of the simple declaration rather than the standard agreement for smaller, short-term projects. The need for an audited statement of project costs has also been eliminated for these projects. The municipality provides receipted statements of costs and verification that the project is complete to their satisfaction.

In the past year, staff processed new agreements and applications as well as finalized the grants on 71 completed projects. As well, interim payments for projects under construction were processed on an ongoing basis.

The Contracts and Grants Section works closely with the Planning and Engineering Branch in an effort to provide efficient and professional service to municipalities.

ADMINISTRATIVE SERVICES DIVISION

The Administrative Services Division is responsible for providing services and support to the Department.

P. Ewanyuk
Executive Director

DEVELOPMENT AND TRAINING BRANCH

J.D. Ramsey
Manager

FINANCIAL ADMINISTRATION BRANCH

[illegible]

PERSONNEL ADMINISTRATION BRANCH

[illegible]

PUBLIC AFFAIRS BRANCH

[illegible]

RECORDS AND GENERAL SERVICES BRANCH

[illegible]

AUTOMATION AND INFORMATION SERVICES

[illegible]

ADMINISTRATIVE SERVICES DIVISION

E. Tywoniuk
Executive Director

The Administrative Services Division consists of six branches, including Personnel Administration, Financial Administration, Automation and Information Services, Development and Training, Records and General Services, and Public Affairs.

Most of the services provided by the Division are interdepartmental, with the exception of the Development and Training Branch. This Branch extends training for nongovernment personnel to upgrade the quality of technical and management expertise in the Rural Gas Program.

The addition of the Automation and Information Services Branch was made to centralize the responsibility and accountability of automated systems and equipment in the Department.

The Public Affairs Branch is responsible to Alberta Public Affairs Bureau.

DEVELOPMENT AND TRAINING BRANCH

F. D. Rumsey
Manager

The year 1984-85 appeared to hold much promise. The review and turnover of the Gas Co-op Utilityman's Training Program courses to the Northern Alberta Institute of Technology (NAIT) and the Southern Alberta Institute of Technology (SAIT) went well. Scheduling of the instruction met the needs of the rural gas co-operatives, and registrations were at an encouraging level.

However, in late fall NAIT was not able to conduct the courses, and SAIT encountered instructor difficulties. Of the 15 courses conducted at SAIT, there were only 160 students. The advanced courses for rural gas servicemen had to be cancelled also, due to lack of attendance. The five courses presented had a total of 40 candidates.

These difficulties spurred renewed effort in the negotiations to have the overall program accepted and recognized within the Provincial Apprenticeship Program. Favourable progress has been made in this direction.

The Rural Gas Safety Program continues to receive acceptance, having been presented to 61 school classes of grades 7 to 9 students. These presentations were spread from Bassano to Spirit River.

A one and a half day topical seminar was held for utilities officers in conjunction with their annual convention.

Staff members attended 108 training courses, seminars and workshops offered through central personnel, local educational institutions and Department resources.

FINANCIAL ADMINISTRATION BRANCH

(Ms.) S. Tan
Financial Administrator

The Financial Administration Branch is responsible for coordinating and implementing the Department budget process. This Branch provides accounts payable processing for program-budgeted expenditures.

Daily, weekly and monthly reports are provided to management for budget monitoring. The Branch has responsibility for coordinating updated procedures on processing financial transactions as received from Treasury and Alberta Public Works, Supply and Services.

The Branch conducts physical inventory annually and reconciles the fixed assets to reflect purchases, surpluses and transfers.

The accounts payable, budget and fixed assets are recorded on departmental automated systems and equipment.

PERSONNEL ADMINISTRATION BRANCH

D. Tymchuk
Manager

The Personnel Administration Branch administers, coordinates and provides consultation and advice on personnel management matters to the Department in the following areas: organization development and human resource planning, classification, recruitment and selection, employee relations, career development, occupational health and safety, and employee records.

At the end of the 1984-85 fiscal year, there were 170 permanent full-time positions and 15 project positions. During the year, the Branch processed 39 permanent and project staffing actions and 51 classification actions.

PUBLIC AFFAIRS BRANCH

P. Sinnott
Manager

The Public Affairs Branch provided editorial, advertising, media and public relations services to the Department. In addition to administrative work connected with print, graphic, and photographic assignments, these services included:

- Distributing Department news releases across Alberta.
- Editing and coordinating the Department's annual report and the Alberta Electric Energy Marketing Agency annual report.
- Coordinating departmental displays.
- Attending annual meetings of the Alberta Union of Rural Electrification Associations and the Federation of Alberta Gas Co-ops Ltd.
- Coordinating the editorial committee, writing, editing and producing the *Rural Utilities Newsletter*, a quarterly publication distributed to rural gas co-ops, rural electrification associations, municipalities, and other interested organizations and individuals.
- Coordinating the editorial committee, editing and producing the U & T Reporter, a bimonthly employee newsletter.

RECORDS AND GENERAL SERVICES BRANCH

D. Merrell
Manager

The Records and General Services Branch is responsible for a planned system for classifying documents, the care and custody of documents within a protective cover, the controlled circulation and use of documents to meet administrative needs, and the final disposition of the documents for destruction or preservation, depending on their value.

The Branch is also responsible for the procurement of all administrative materials or services and supplies for the Department, the Alberta Electric Energy Marketing Agency (EEMA) and the Slave River Hydro Project Pre-Investment Phase.

The Branch also continues to participate in the Government-Wide Automated Records Management System Study. Business and Grants Section files of the Rural Gas Program have to be microfilmed. A scheduling and disposition of all Department records was initiated.

AUTOMATION AND INFORMATION SERVICES

R. Ferguson
Manager

During the previous fiscal year, a study of the management of automation in the Department was conducted by the Computer Systems Division of Alberta Public Works, Supply and Services. The study recommended the hiring of a Manager of Automation and Information Services, and the position was staffed in May 1984. The manager has the following duties related to the use of automation within the Department:

- Development and maintenance of the long-term strategic plan.
- Development and maintenance of automation policies and procedures.
- Coordination and technical approval of automation budgets.
- Management and administration of all centralized systems, services and equipment.
- Ongoing audit and quality assurance to provide for effective usage and cost effectiveness of automation equipment.

UTILITIES, COMMUNICATIONS AND PLANNING DIVISION

COMMUNICATIONS POLICY BRANCH

REBATES BRANCH

RURAL ELECTRIC BRANCH

COMMUNICATIONS POLICY BRANCH

K. Murricane
Director

MANDATE

The Communications Policy Branch is responsible for providing research, advice and coordination in the ongoing development and administration of Alberta's communication policy. The emphasis of this policy is to ensure the optimum development of the communications industry in Alberta. The Branch also provides economic, financial and policy analysis on a project basis on other issues current to departmental program and policy development.

The activities of the Branch are divided into five areas, including broadcasting and cable television, corporate and financial analysis, educational communications, research and economic analysis, and telecommunications.

HIGHLIGHTS

In addition to the ongoing operational activities in these areas, a number of issues warrant specific mention in this reporting year, including:

- The initiation of a joint federal-provincial review of telecommunications policy following agreement by all governments on the need to examine the current policy and regulatory environment in Canada. Work is already underway on examining the impact of international competition and the pricing of telecommunications services in Canada.

- The completion of a jointly sponsored federal-provincial study on the impacts of competition in the provision of long-distance telephone services and its effects on local telephone rates. The study, entitled *Impacts of Competition in Message Toll Telephone Service*, was carried out by Peat, Marwick and Partners.

- In April 1984 the Department and the University of Calgary Communications Studies Program cosponsored a symposium entitled "Communications in the Eighties - The Major Issues." Some 130 people from across Canada were in attendance to hear 22 speakers discuss the current and future issues facing the communications industry.

- The Alberta Educational Communications Corporation (ACCESS NETWORK) implemented its satellite-based educational communications service in January 1985. To assist nonprofit public agencies and educational institutions to receive the ACCESS NETWORK service, the Department instituted a capital grant program to offset the costs of purchasing and installing satellite-receiving equipment. This program provides a grant of $500 per satellite dish to approved organizations and is offered in conjunction with the ACCESS NETWORK Satellite Dish Placement Program.

- A preliminary survey of the television receive only (TVRO) satellite earth station industry was undertaken during the summer of 1984 to determine some of the main characteristics of the satellite dish market in Alberta. Among the more interesting findings was the fact there were at least 9,700 satellite dishes in use in Alberta. Of those, about one-third were being used by commercial establishments, apartment buildings, condominiums, hotels and motels. As an example, about 40 percent of Alberta hotels and motels provided satellite television services to their customers.

- The Branch participated in several joint government-industry working groups established to promote the utilization and commercialization of Canadian telecommunications technology. These were the Mobile Satellite Program, the Office Communications Systems Program, the Canadian Standards Association Steering Committee on Telecommunications and the Inter-Provincial Association for Telematics and Telidon.

- The Branch was also involved in a number of intergovernmental and interdepartmental committees dealing with regulatory reform, provincial economic forecasting, privacy and computer usage, combines legislation, copyright, and the development of the communications and information industries in Alberta.

- The Branch began a survey of cable television and subscription television systems operating in Alberta and the markets they serve. This is a joint industry-government undertaking in cooperation with the Cable Television Association of Alberta (CTAA) designed to compile a reference guide of the industry.

- As a departmental initiative under the Women's Program, the Branch was involved in a research project designed to provide detailed information about advancement, training and development opportunities for staff.

REBATES BRANCH

G. Breckenridge
Director

MANDATE

The Branch administers four major rebate programs which, by way of direct payments to utility companies and individuals, reduce the cost of fuel used for heating, farm and other purposes by residential, business, community, and industrial consumers. These programs are grounded in the fundamental concept that the energy resources in the province belong to the people of Alberta, and as such, all Albertans should benefit from this ownership. Two are paid directly out of an allocation of the province's nonrenewable resource revenues and return a share of these revenues directly to Alberta consumers.

Legislative authority for the programs is contained in the Natural Gas Rebates Act and Regulations and the Utilities and Telecommunications Grants Regulations.

HIGHLIGHTS

- During the year rebates totalling $142.4 million were paid under the four programs, an increase of $23.7 million over the previous year's total. Appendix B provides expenditures by program.
- In late winter of 1985, the government announced its recommitment to shielding Albertans from increases in fuel costs for heating and other purposes by extending the rebate programs for further periods ranging up to March 31, 1988.

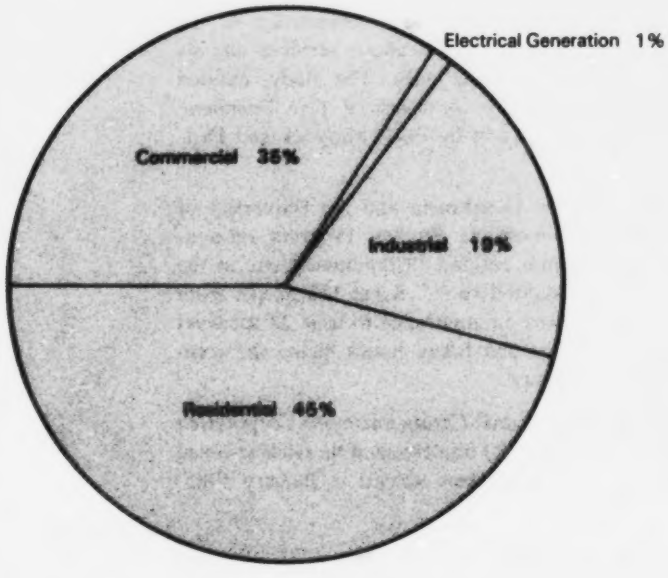
NATURAL GAS PRICE PROTECTION PLAN

The objective of the Plan is to shelter residents, commercial establishments and industry from the effects of significant natural gas price increases in the natural gas component of their utility bills. This protection is accomplished through rebate payments, mainly to utility companies which, in turn, are reflected in lower rates for consumers. With this method of delivery, Albertans do not have to apply to receive the Plan's benefits.

First introduced in 1974, the province's most recent commitment to the Plan was made during the year, when an extension for a further three years to March 31, 1988, was approved.

Distribution of Rebate Benefits

In 1984/85, over $128 million was paid in rebates compared with $106 million in 1983/84. Approximately 650,000 homes, 66,000 businesses and 600 industrial users received rebate benefits.



Under the Plan, a Provincial Support Price is periodically established which represents the basic cost level of gas for consumers. Since 1980, the support price has been set at an amount equal to 65 percent of the prevailing Alberta Border Price as determined under Federal-Alberta Agreements (details of prices are given in Appendix B). The Plan rebates the difference between the support price and the price actually paid by the utilities/industrial purchasers to gas producers. The cost of these rebates is paid from an allocation of the province's nonrenewable resource revenues.

Large industry and industry using natural gas as a feedstock are limited to rebates on the first petajoule (billion cubic feet) of gas consumed in any fiscal year. Some other uses, such as gas used in heavy-oil recovery, oil sands, and as a compressor fuel, are not eligible for rebate.

In 1984-85, over $128 million was paid in rebates compared with $106 million in 1983-84. Approximately 650,000 homes, 66,000 businesses and 600 industrial users received rebate benefits.

The 21 percent increase in expenditure over the previous fiscal year is attributable to a colder than normal winter and to an increase in unit rebates, resulting from an upward adjustment in the field price of natural gas. Other factors, however, have served to reduce expenditure. With the abundance of natural gas supplies in the province, some industrial plants have been able to purchase lower priced gas directly from producers. In cases where the contract price exceeds the Provincial Support Price, the plants apply for rebates directly, and the lower prices are reflected in reduced rebate payments.

The Federal Canadian Ownership Special Charge of 14 cents per gigajoule remained unchanged for 1984-85. This was the only remaining tax on gas sales.

The Public Utilities Board must certify that the price in each gas supply contract is just and reasonable and that in the case of utility companies, the rates charged customers reflect the full benefit of the rebate paid. Branch auditors regularly visited applicants to ensure the accuracy of rebate applications.

Further information on unit rebates, average benefits and total rebates per year is included in Appendix B.

PRIMARY AGRICULTURAL PRODUCERS REBATE PROGRAM

The intent of this program is to provide a direct supplementary rebate to farmers and some others who use natural gas in primary agricultural operations. The rebate effectively doubles the benefit already enjoyed by all Albertans under the Natural Gas Price Protection Plan. Examples of eligible operations include field crops, livestock, dairy and poultry farms, greenhouses (including ornamental), irrigation, grain dryers, sod and peat moss farms, and alfalfa processors.

In late winter of 1985, the government announced the extension of the program through 1987. It has been in place since the beginning of 1982.

The program provides a rebate of 50 cents per gigajoule (GJ) (or 52.7 cents per 1,000 cubic feet [Mcf]) on consumption of natural gas between 300 GJ (285 Mcf) and 10,000 GJ (9,500 Mcf) used during a calendar year by an applicant. Like the Natural Gas Price Protection Plan, these benefits are paid out of an allocation of nonrenewable resource revenue.

During the year, 5,877 applications were processed. Rebate payments totalled $2,507,617, for an average of $427 per application.

REMOTE AREA HEATING ALLOWANCE PROGRAM

This program rebates up to 35 percent of the price paid for heating oil and propane by residential, farm, community and small business consumers who must use these fuels because natural gas service is not economically available.

This program for heating oil and propane users is complementary to the Natural Gas Price Protection Plan. Like the latter, it was extended during the year to March 31, 1988.

Over 21,000 Albertans have applied and benefited from the program since its beginning in 1980. At the end of 1984-85, about 7,000 Albertans were receiving rebates on a continuing basis. Rebates paid on the 11,000 applications processed during the year totalled $2,871,000, for an average of $261 per application.

Since its introduction, the program has provided welcome relief to residents in gas franchise areas while natural gas lines were being extended to their locations through the Department's Rural Gas Program. Many former rebate applicants are now enjoying natural gas service. The program also reduces fuel costs for farmers who dry grain or irrigate their land using portable equipment.

During the year, meetings were held with officials of Native bands to assist them in completing rebate applications. These people were very appreciative of the rebate.

Please see Appendix B for program expenditures by year.

SENIOR CITIZENS HOME HEATING PROTECTION PROGRAM

The Senior Citizens Home Heating Protection Program assists eligible senior citizen homeowners with their home heating costs by providing a direct rebate of $100 per year per household, regardless of the type of fuel used. Originally effective for the years 1982 to 1984, the program has been extended to the end of the 1987 calendar year.

The majority of eligible senior citizens receive the rebate benefit without having to complete an application form. Eligibility is automatically established for those individuals who have applied for and received the Alberta Property Tax Reduction Benefit for that calendar year. In the relatively few cases where, for one reason or another, seniors' names do not appear on the Alberta Property Tax Reduction Benefit list, a short application form is available to establish eligibility.

Other eligible persons under the program include:

- Widows and widowers 55 years of age or over, who are receiving a pension under the Alberta Widows' Pension Act.
- Persons 60 year of age or over, whose deceased spouse was at least 65 years of age at the time of death.

During the year, 84,353 rebate cheques of $100 each were mailed to senior citizens in respect of the 1984 calendar year, compared to 81,244 and 77,158 cheques for 1983 and 1982, respectively. Since the program's introduction to the end of the 1984-85 fiscal year, $24.5 million in benefits has been paid or accrued as payable (Appendix B).

Evidenced by the numerous calls and letters received, the Senior Citizens Home Heating Protection Program is appreciated by senior citizens and is a welcome help with the costs of home heating.

RURAL ELECTRIC BRANCH

J. Mann
Director

MANDATE

The Branch delivers a loan program from the Rural Electrification Revolving Fund and grant programs to assist rural electrification. It is responsible for maintaining the Fund's accounts and for the normal collection activities on loans. The Branch Director fulfills the statutory duties of the Director of Co-operative Activities, as provided by the Co-operative Associations Act, for rural electrification associations (REAs).

These programs are made available under provisions of the following acts and their regulations:

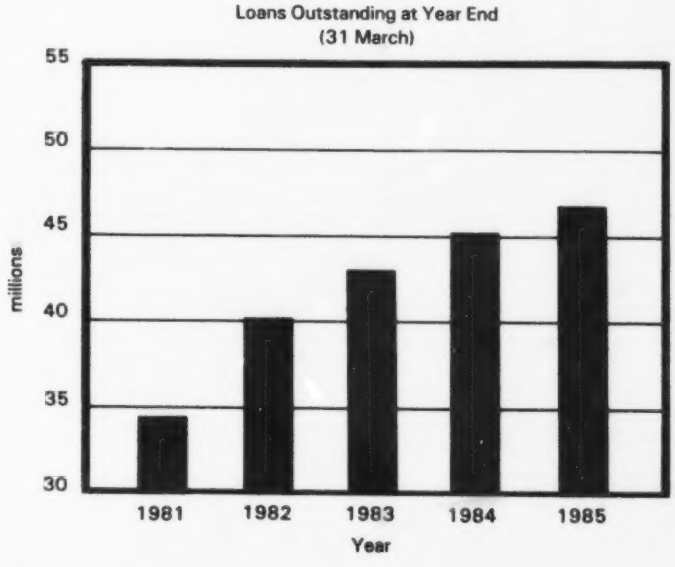
- Rural Electrification Revolving Fund Act
- Rural Electrification Long Term Financing Act
- Co-operative Marketing Associations and Rural Utilities Guarantee Act
- Department of Utilities and Telecommunications Act

HIGHLIGHTS

- Early in the year, amendments to the Rural Electrification Revolving Fund Act and Rural Electrification Long Term Financing Act broadened the coverage of the loan program to farmers who are not members of REAs but direct utility company customers. The program was also extended to finance new large single- and three-phase farm services.
- In addition to delivering loan and grant programs, the Branch supported several other key activities that will benefit rural electrification into the future. Along with other branches, work was completed on the new Rural Utilities Act, and the Act was passed in the 1985 spring session of the Legislative Assembly. When the regulations are approved and the Act is proclaimed, rural utilities will benefit from having the various provisions governing their activities consolidated into one piece of legislation.
- Through the year, the Branch assisted in the negotiations between REAs and the electric utility companies on a new master contract. This contract, which governs the financial and operating relationship, had not been revised for more than 30 years.
- The negotiations were supported by Honourable Bob Bogle, reaffirming the objective of a uniform contract across Alberta and endorsing principles that responded

Rural Electrification Revolving Fund

	$ millions
Interest-bearing (Part 1) loans:	
10-year repayment schedule	5.7
25-year repayment schedule	21.2
Interest-free (Part 2) loans:	
No fixed repayment schedule	20.1
Total Loans Outstanding	47.0



to the REAs' desire for more autonomy over their affairs. These principles would give REAs options to serve all farm customers in their service areas, to administer their own deposit reserve funds, and to hire their own contractors.

A memorandum of understanding was reached in January 1985 embodying these principles. Negotiations on the contract details progressed during the remainder of the fiscal year.

- At fiscal year end there were 229 REAs in Alberta providing 57,573 electrical services. REA members consumed over 767 million kW.h of energy worth over $42 million in 1984.

PROGRAM ACTIVITIES

RURAL ELECTRIFICATION REVOLVING FUND

Low-interest (Part 1) and interest-free (Part 2) loans are made from the Fund for new electrical services on farms. During 1984-85, 2,052 loans were processed and funded, resulting in the release of $5,341,230.

Of this amount, $2,905,261 was in loans with fixed repayment schedules and bearing interest at 3 1/2 percent. These Part I loans are secured by a lien on the farmer's property. The balance, $2,352,200, represented 998 interest-free (Part 2) loans to be repaid if and when additional use is made of the facilities constructed with these funds. Part 2 loans issued on behalf of an REA are secured by a first charge upon the works in favour of the Provincial Treasurer.

Payments on outstanding loans during the year totalled $4,666,034, of which $3,718,165 was repaid principal credited back to the Rural Electrification Revolving Fund, and $947,869 was in earned interest deposited to the General Revenue Fund of the province.

The statutory limit on the Rural Electrification Revolving Fund is $55,000,000. At year end, the Fund stood at $48,389,323, of which $46,957,265 represented loans outstanding, as shown by the following graph:

The financial reports and summaries of the Rural Electrification Revolving Fund are in Appendix C.

Grants Based on 40 Percent of Part 2 Loans

Grants totalling $687,143, based on 40 percent of the outstanding amount of interest-free loans for individual services, were issued to 190 REAs during this fiscal period. These funds are held for REAs to help offset future rebuilding costs of the facilities financed by these interest-free loans.

Since the introduction of this assistance on April 1, 1979, grants totalling $6,848,848 have been made. At the end of the fiscal year, $5,433,568 remained in effect. The difference has been recovered from REAs as a result of either the Part 2 loan balance being reduced or the REA selling its assets to a utility company. In total, 337 REAs have benefited from this program.

Pole Replacement Grants

Twenty-three REAs received financial assistance totalling $68,174 for premature pole replacement.

Grants for Travel and Subsistence

Grants totalling $52,117 were issued to REAs and to the REA Master Contract Negotiating Committee to cover travel expenses and subsistence allowances.

Generating Unit Grants

Three grants totalling $14,620 were made to individuals who maintain a permanent residence in a remote area where it is not feasible or economical to provide electricity from the provincial grid. These grants were used to help defray the cost of purchasing a generating unit.

Land Tenure Electrification Program

Grants totalling $22,686 were issued to provide electrical service to 16 residents within land tenure subdivisions in isolated communities.

Other Grants

The Alberta Union of Rural Electrification Associations Co-operative Limited (AUREA) received a grant of $23,782.60 to assist with expenses as an intervenor at the Public Utilities Board electrical rate hearings. In addition, a $25,000 grant was made to the AUREA to help defray the cost of negotiating a new uniform master contract between the REAs and the power companies. The Region 6 Action Committee also received a $3,000 grant to assist with expenses in their negotiations with Alberta Power Limited on the master contract.

APPENDICES

RURAL GAS PROGRAM STATISTICS

Grants Issued Under the Rural Gas Program

	Total to March 31, 1984	1984-85	Total as at March 31, 1985
Regular	$160,518,783.55	$10,048,117.65	$170,566,901.20
Gas Transportation	74,583,172.69	594,387.35	75,177,560.04
Regulator/Meter/Odorizer	10,556,175.51	1,066,944.52	11,623,120.03
Cathodic Protection	2,623,819.14	42,353.66	2,666,172.80
Operating Equipment	128,730.20	13,678.16	142,408.36
Leak Detection	98,197.06	1,170.30	99,367.36
Replacement of PE 3306 Pipe	25,802,742.19	1,841,161.45	27,643,903.64
Other Special	10,435,342.40	364,029.18	10,799,371.58
Propane	85,780.75	78,407.31	164,188.06
Utilities Officer	7,160,558.29	835,352.20	7,995,910.49
	$291,993,301.78	**$14,885,601.78**	**$306,878,903.56**

Natural Gas Services Built by Rural Gas Distributors

	Total to March 31, 1984		Services Built 1984-85	Total as at March 31, 1985	
	Pre-Act	Post-Act		Pre-Act	Post-Act
Rural	19,367	62,442	1,594	19,367	64,036
Urban	4,158	11,641	461	4,158	12,102
Grain Dryer	9	712	52	9	764
Non-Grantable	1,092	4,388	124	1,092	4,512
Irrigation	1,841	2,663	190	1,841	2,853
	26,467	**81,846**	**2,421**	**26,467**	**84,267**

Kilometers of Pipeline Installed in Rural Natural Gas Distributor Systems

	Total to March 31, 1984	Built 1984-85	Total as at March 31, 1985
Polyethylene	77,365	763	78,128
Aluminum	5,193	54	5,248
Steel	2,024	0	2,024
	84,582	**817**	**85,400**

REBATES BRANCH

Total Rebates by Year

	1982-83 $Millions	1983-84 $Millions	1984-85 $Millions	Total $Millions
Natural Gas Price Protection Plan	$104.2	$106.1	$128.5	$338.8
Remote Area Heating Allowance Program	3.9	2.6	2.9	9.4
Senior Citizens Home Heating Protection Program	8.0	8.0	8.5	24.5
Primary Agricultural Producers Rebate Program	0.8	2.0	2.5	5.3
	$116.9	**$118.7**	**$142.4**	**$378.0**

NATURAL GAS PRICE PROTECTION PLAN

Unit Rebate Allowance

($/GJ)

Period	Alberta Border Price	Alberta Cost of Service	Field Price	Provincial Support Price	Unit Rebate Allowance
Oct. - Jan. 1982	1.70162	0.215	1.48662	1.106	0.38062
Feb. - July 1982	1.93463	0.215	1.71963	1.258	0.46163
Aug. - Jan. 1983	2.16764	0.27	1.89764	1.409	0.48864
Feb. - July 1983	2.40065	0.27	2.13065	1.56	0.57065
Aug. - Jan. 1984	2.63366	0.33	2.30366	1.712	0.59166
Feb. - July 1984	2.79001	0.33	2.46001	1.814	0.64601
Aug. - 1985	2.79804	0.30	2.49804	1.819	0.67904

Example of the Annual Rebate Benefit for a Residential Customer*

1982 - 1983	$100
1983 - 1984	$120
1984 - 1985	$135

* Based on annual consumption of 200 GJ and unit rebate allowance as shown above. Rebates vary with the price paid for gas by utility companies.

RURAL ELECTRIFICATION REVOLVING FUND

Financial Reports and Summaries 1984-85 Cash Basis

(Unaudited)

Fiscal Year Ending March 31, 1985

Statement I

Comparative Loan Balances Loans Receivable At Year End

Repayment Schedule	March 31, 1985	March 31, 1984
10-year	$ 5,705,197	$ 6,027,517
25-year	21,158,001	21,161,010
Part II loans	20,094,067	18,145,672
Total all loans	**$46,957,265**	**$45,334,199**

STATEMENT II

Loans Issued

Loans Advanced	Fiscal 1984/85	Fiscal 1983/84
10-year	$ 904,515.11	$1,126,837.73
25-year	2,084,514.86	2,756,720.83
Part II	2,352,200.10	2,813,808.46
Total loans	**$5,341,230.07**	**$6,697,367.02**
Loans for new construction	$5,257,460.89	$6,648,814.02
Refinancing	83,769.18	48,553.00
Total loans	**$5,341,230.07**	**$6,697,367.02**
Principal refinanced	$ 81,369.82	$ 47,411.26
Interest refinanced	2,399.36	1,141.74
Total refinancing	**$ 83,769.18**	**$ 48,553.00**
New construction - individual lien notes	$2,905,260.79	$3,835,005.56
New construction - Part II loans	2,352,200.10	2,813,808.46
Total new construction financed	**$5,257,460.89**	**$6,648,814.02**

STATEMENT III

Receipts & Adjustments

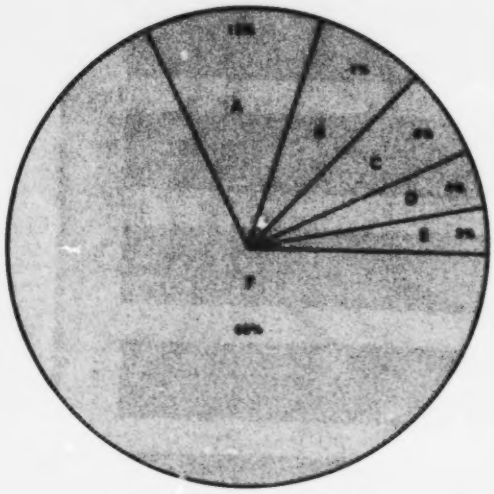
	Fiscal 1984/85	Fiscal 1983/84
10-year loans principal	$1,226,835.27	$1,314,939.56
25-year loans principal	2,087,524.54	2,840,676.63
Part II loans principal	403,805.04	370,387.01
10-year loans interest	210,564.64	216,388.08
25-year loans interest	737,304.46	707,242.75
Net Receipts and Adjustments	**$4,666,033.95**	**$5,449,634.03**

UTILITIES AND TELECOMMUNICATIONS

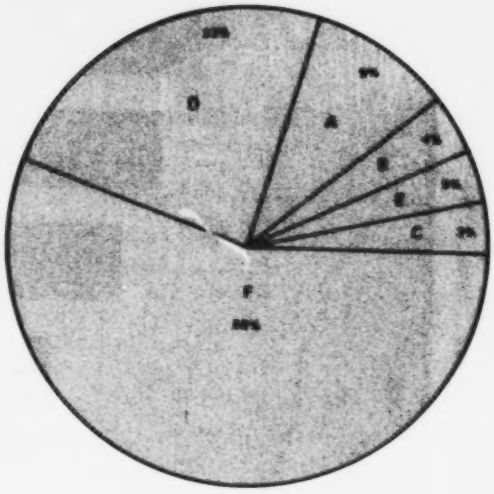
STATEMENT OF EXPENDITURES
FISCAL YEAR 1984-85

Program	Total Authorized	Expended	Unexpended
1. Departmental Support Services	$ 2,112,560	$ 1,824,932	$ 287,628
2. Gas Utility Development			
Financial Assistance for Natural Gas Development (Grants for Natural Gas Distribution Systems, Utilities Officer Support and Capital Construction)	24,995,352	14,929,115	10,066,237
Engineering, Technical, Financial and Business Support	2,655,378	2,325,398	329,980
Gas Alberta	1,941,942	1,832,214	109,728
3. Natural Gas Price Protection for Albertans			
Administrative Support	1,073,986	812,230	261,756
Remote Area Heating Allowance Program Rebates	4,300,000	2,871,483	1,428,517
Senior Citizens Home Heating Protection Program	8,000,000	8,500,700	(500,700)
4. Electric Development			
Electric Development Services	1,110,448	962,282	148,166
Financial Assistance for Electric Development	1,835,000	885,876	949,124
Hydroelectric Development	4,000,000	1,389,072	2,610,928
5. Communications Development	509,092	402,343	106,749
6. Financial Assistance for Water and Sewer Projects			
Administrative Support	739,594	648,845	90,749
Municipal Water Supply and Sewage Treatment Grant Program	40,000,000	39,986,396	13,604
Northern Supplementary Fund	5,360,000	5,360,000	—
Regional Water and Sewage Program	34,100,000	27,807,392	6,292,608
Phosphorus Removal Grant Program	1,000,000	587,671	412,329
7. Electric Energy Marketing Agency	52,564,755	37,303,258	15,261,497
TOTAL DEPARTMENT	**$186,298,107**	**$148,429,207**	**$37,868,900**

Percentage of Grants Issued Under the Rural Gas Program By Type for 1984/85 Fiscal Year

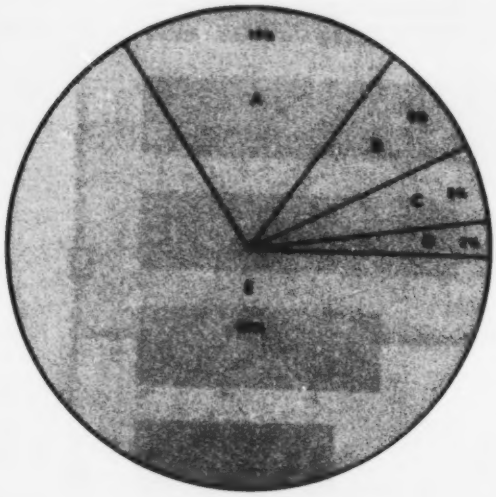


Percentage of Grants Issued Under the Rural Gas Program By Type Cumulative to March 31, 1985

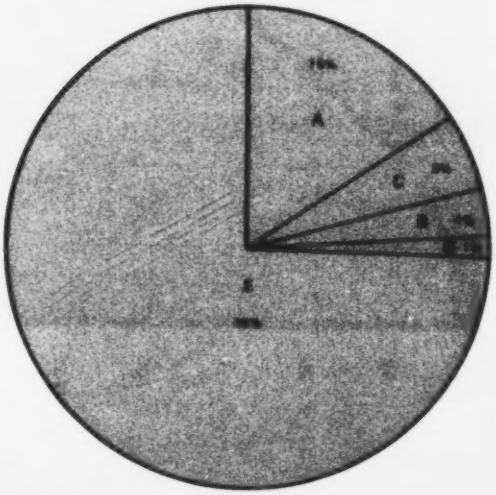


LEGEND
A- PE 3306 Replacement Pipe
B - Regulator/Meter/Odorizer
C - Utilities Officer
D - Gas Transportation Grant
E - Other Special
F - Regular

Percentage of Rural Gas Services By Type for 1984/85 Fiscal Year

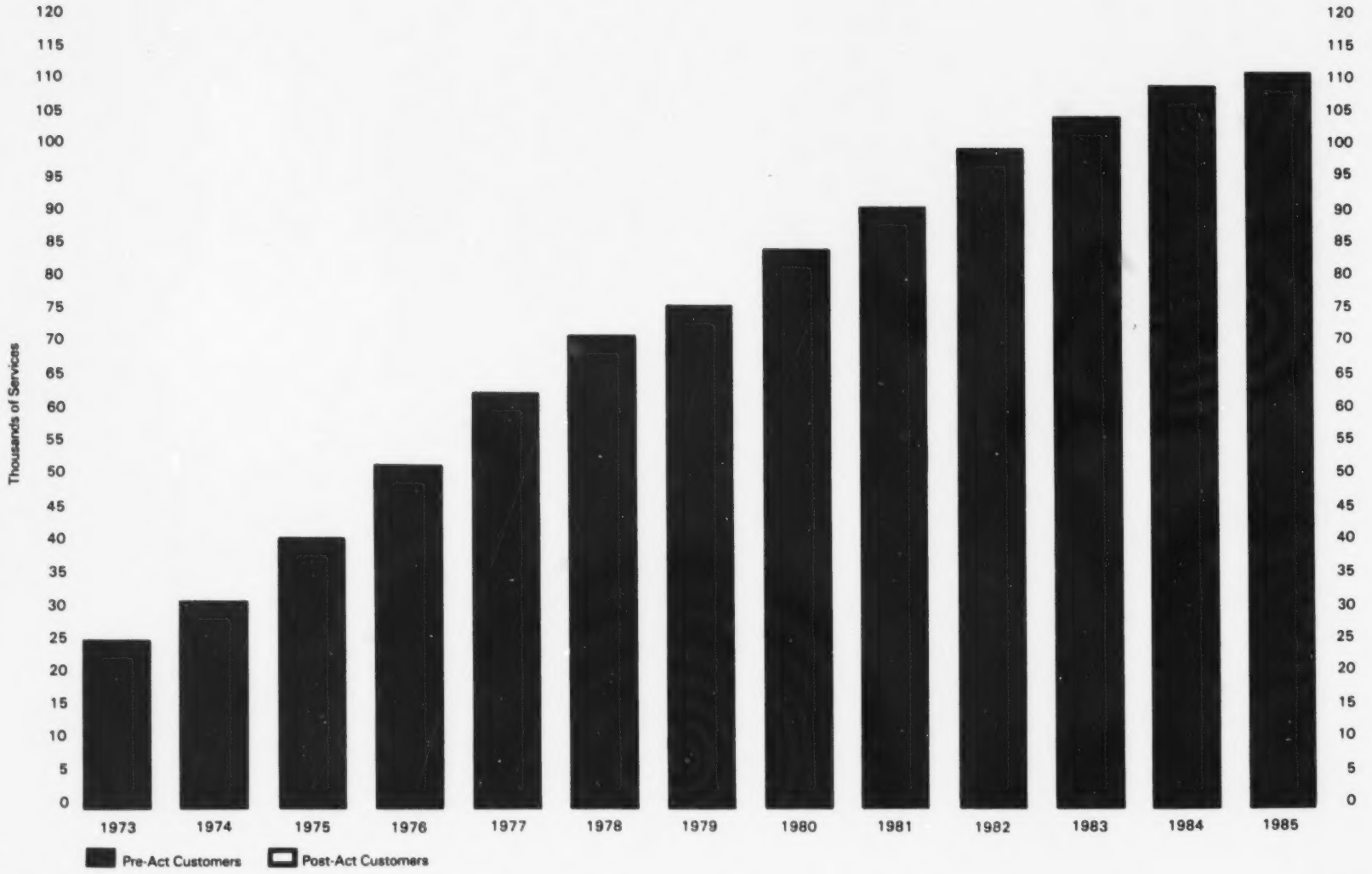


Percentage of Rural Gas Services By Type - Cumulative Total to March 31, 1985

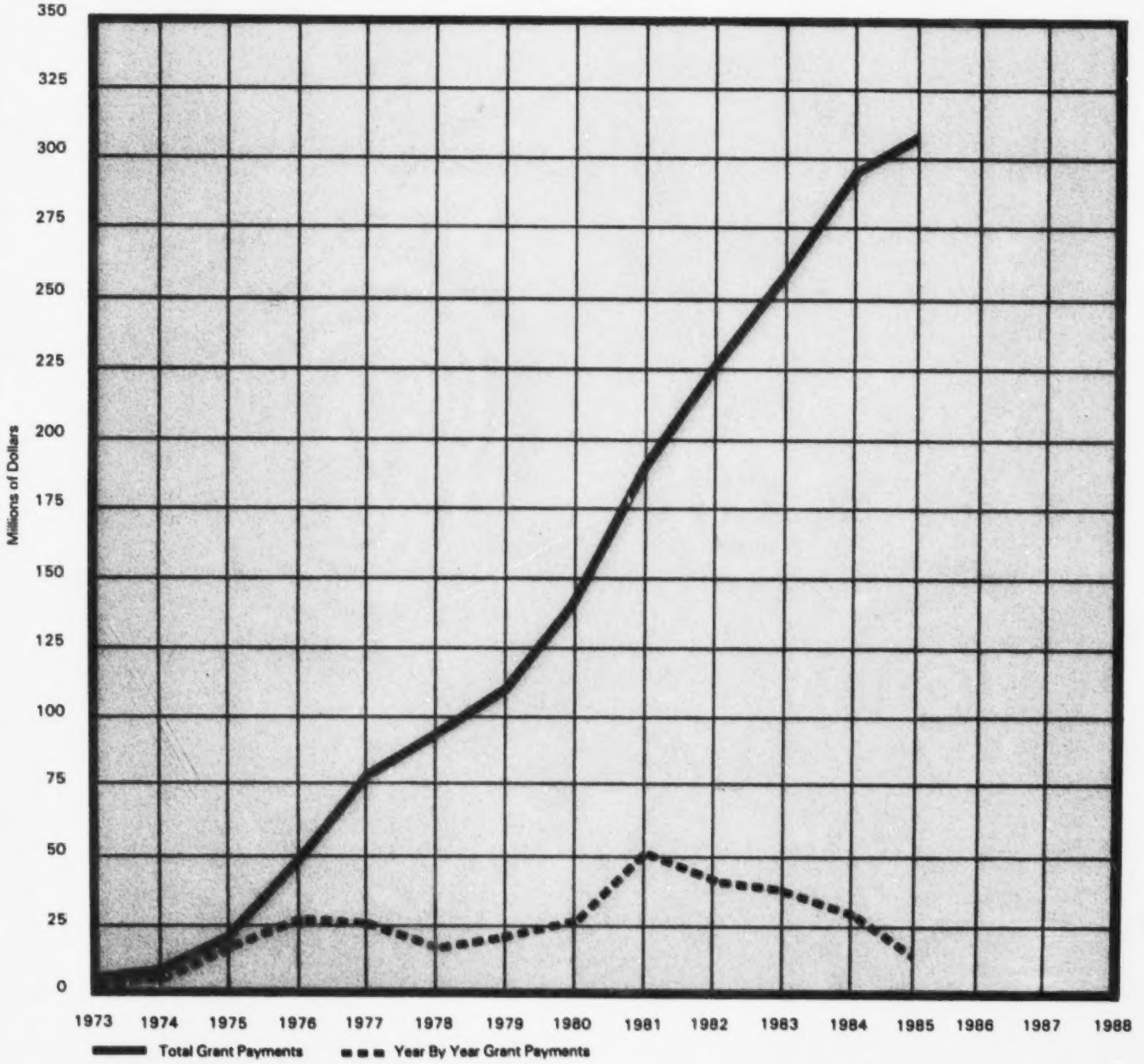


LEGEND
A - Urbans
B - Irrigations
C - Non-Grantables
D - Grain Dryers
E - Rurals

Number of Rural Natural Gas Services
Cumulative to March 31, 1985



Total and Year By Year Grant Payments Issued Under the Rural Gas Program to March 31, 1985



MAPS NOT

FILMED

CARTES

OMISES